

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of NeoGrowth Credit Private Limited will be held on Friday, 18th August, 2017 at 5.00 p.m. at the Registered Office of the Company situated at 503, Tower 2B, One Indiabulls Centre, S. B. Marg, Mumbai - 400013 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet of the Company as at March 31, 2017 and the Profit & Loss Account for the financial year ended on that date together with Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Piyush Kumar Khaitan who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as a *Special Resolution*:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. S. R. Batliboi & Associates LLP, (ICAI Firm Registration No.101049W/E300004) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, Mr. Piyush Kumar Khaitan, Managing Director and/or Mr. B.Ravikumar, CFO & Company Secretary be and are hereby jointly and severally authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

By Order of the Board of Directors
For NeoGrowth Credit Private Limited



B. Ravikumar
Company Secretary



Place : Mumbai
Date : 27th July, 2017

- NOTES : 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- 2) THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3

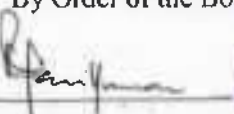
The Statutory Auditors, M/s. Singhi & Co. who have completed one term of five years at the forthcoming Annual General Meeting and have stepped down as the Auditors of the Company.

The Audit Committee has recommended to the Board of Directors, the appointment of M/s. S. R. Batliboi & Associates LLP as the Statutory Auditors as their qualifications and experience have been found to be commensurate with the size and requirements of the Company. The Board of Directors considered the matter and has recommended the appointment of M/s. S. R. Batliboi & Associates LLP as the Statutory Auditors for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 29th Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.

The Board recommends the proposed Resolution for approval of the Shareholders.

None of the Directors and key managerial personnel of the Company are concerned or interested in this Resolution.

By Order of the Board


B. Ravikumar
Company Secretary



PROXY FORM

I/We, _____ of _____ being a
Member/Members of NeoGrowth Credit Private Limited, hereby appoint
_____ of _____ or
failing him _____ of _____ as my/our
Proxy to vote for me/us and on my/our behalf at the 24th Annual General Meeting of the
Company to be held on Friday, the 18th day of August, 2017 and at any adjournment thereof.

(affix 1 rupee
Revenue stamp)

Signature

Folio No. _____

No. of shares _____

Note: This form of proxy in order to be effective should be completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the Meeting.

ROUTE MAP TO VENUE OF AGM



NEOGROWTH CREDIT PRIVATE LIMITED

DIRECTORS' REPORT

To
All Members,

Your Directors have pleasure in presenting the Fifth Annual Report of your Company with the Audited Financial Statements for the financial year ended March 31, 2017.

It gives me great pleasure to share with you the company's progress thus far and the thoughts for the future.

1. FINANCIAL RESULTS

The summarised financial results of the Company for the year ended March 31, 2017 compared with the previous financial year are as below:

	Rs. in Lakhs	
	2016-17	2015-16
Revenue from Operations	13285.03	4,878.84
Other Income	515.93	191.04
Total Income	13800.96	5,069.88
Less : Operational Costs	9270.73	4,091.15
Manpower Cost	3612.32	2,002.82
Profit / (Loss) before Depreciation	917.91	-1,024.09
Less : Depreciation	153.89	121.39
Profit / (Loss) for the year	639.02	-1,145.48
Less : Provision for Tax	65.98	Nil
Net Profit / (Loss)	573.04	-1,145.48

Your company has earned profits in this financial year. The NPAT is Rs. 5.73 Crs as compared to loss of Rs11.45Crs last year. The revenue from Operations have increased from Rs 48.79 Crs to Rs 132.85 Crs.

2. A. Credit Growth and Asset Quality:

I am glad to share with the members that the disburseals during the year grew from Rs. 391.66 Crs. to Rs. 896.63 Crs. clocking a growth rate of 128. 93%. During the same period the AUM grew from Rs. 265.54 Crs. to Rs. 607.57 Crs. which included off-balance sheet book of Rs. 112.16 Crs.

Even as your company grew aggressively, the asset quality continued to remain under control with loss rates well under the internal benchmark of 2.5%.

B. Pathbreaking economic decisions from the government and its impact on business.

During the year, the country witnessed a major disruption in terms of demonetization of

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almost 86% of currency circulation by value and the digital push that government initiated along with demonetization. The initial awe and shock of such disruption saw a degrowth in disbursal for the first time after nearly 30 months of continuous growth. There was a short term impact for 2-3 months on the growth of disbursals but I am happy to state that this was a short blip and company's growth march continued from Jan 2017. We were behind by a quarter from our set targets, because of the impact of demonetisation but bounced back in Q4.

The demonetization also brought in positive impact on the business outlook as there was a huge digital push from the government which took the number of PoS machines from 1.5 Million to 2.5 Million in 9 months flat. This is positive for your company as the addressable market which already is huge is becoming bigger. This made the company revisit its strategy in terms of adding new geographies and accordingly your company has decided to open additional 15 branches during FY 2017-18 to tap the additional opportunities that have opened up.

You will be happy to know that your company has invested in Products, Technology and Treasury areas to achieve the targeted growth, deepening the current relationships, widening the area of operations and introducing new products in the market along with sourcing cost optimization.

These investments are likely to show up in topline growth, profitability and operational efficiency in the coming years.

Another path breaking economic legislation, the roll out of GST is likely to have far reaching positive impact on our business. While it is likely to open us more opportunities for lending as the economy is likely to get a fillip, it is also likely to leave lot of digital foot prints which will enable the company to do more informed lending and mitigate the credit risk.

Your company is currently in the process of implementing the systems and processes that are required to be put in place for a smooth roll out and ensuring full compliance.

3. Dividend

With a view to conserve the resources of the Company for the targeted growth, your Directors are not recommending any dividend this year.

4. Change in Charter documents:

In order to facilitate augmenting additional funds and expand Company's area of business activities by more infusion of capital, the Authorized Share Capital of the Company was increased from Rs.36.5 Crores to Rs. 47 Crores divided into 1,90,00,000 Equity Shares of Rs.10/- each and 2,80,00,000 Preference Shares of Rs. 10/- each in April, 2016.

Your Company is desirous of offering insurance products to merchants alongwith the Loan product as a means of expanding the business relationship.

The main object clause of the MOA was amended on 18th May, 2017 adding insurance business as Corporate Agent under IRDA guidelines apart from the company's main business of lending.

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5. Fresh Allotment of Shares

In June 2016, 100 equity shares and 94,88,272 preference shares were issued at a price of Rs.113.17 per share (including a premium of Rs.103.17 per share).

As a result of the above, present paid up share capital of the Company stands enhanced at Rs. 44.83 Crs and the Share Premium Account at Rs. 15.15 Crs. as on date. The Net worth of your Company stands at Rs.155.10 crores as at the end of the reporting year.

6. Capital Adequacy:

The Company's Capital Adequacy was 30.49% as on 31 March 2017, which is above the threshold limit of 15% as prescribed by RBI.

7. Financial Leverage and Asset - Liability Management:

Your company follows a conservative and prudent cash flow management policy. Your company borrows money for a longer tenor than the maturity of its assets matched by a conservative leverage ratio.

As the positive skewness in the ALM is currently too wide, your company is planning to use varied financial instruments of short term tenure to both reduce the cost of borrowings as well as reduce the excess positive skewness in ALM. The current 29 months liability side average tenor is targeted to be brought down to around 20 months whereas the asset side tenor is likely to hover around 12 to 13 months.

8. Debt Sourcing and Credit Rating:

During the year, your company raised debt to the extent of Rs.349 Crs from various financial institutions, Rs.273 Crs through issuances of NCDs, Rs. 67 Crs through term loans from NBFCs & Banks and Rs. 10 Crs by placing commercial paper. The Company has a Cash credit facility of Rs. 10 Crs which was unutilized as on 31st March 2017. Repayments of loans of Rs.140.19 Crs., were made during the year. The outstanding debt portfolio was at Rs.418.34 Crs. as on 31 March 2017.

You will be happy to note that your Company's rating improved to BBB which was rated by K.R.A, IndRA and CARE.

Your Company was able to source funds using different financial instruments from varied sources both from off-shore and on-shore at a significantly lower cost.

You will be happy to know that your Company successfully placed Commercial papers for the first time during the year and continued with more securitization transactions.

Further, your Company strengthened the Co-lending model by growing the Co-lending book to Rs. 80.57 Crs as of March 31, 2017.

9. Registration of Company as Corporate Agent under IRDA Regulations

Your Company currently caters to business growth needs of the clients. Leveraging the existing infrastructure & organizational strengths, your Company intends to extend its product offering in partnership with leading General Insurance, Health Insurance and Life Insurance companies of India satisfying the customer need for risk coverage and protection. By catering to multiple & related financial needs of the customer, you

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company intends to achieve higher customer satisfaction & hence better retention and repeat business for core products.

10. Human Capital

Your company continues to value the human capital as one of the most important pillars of success for the organization. Your company has processes to make sure the right resources are selected for the roles and provides an environment to create a culture of learning and successful execution.

The company has put in place a performance management programme matching to the needs of the organization and to reward the talents commensurate with the performance.

Your company has instituted a Balanced Score Card system across the organization to align the company's strategic objectives with the individual goals across functions, so as to bring in maximum alignment in the organizational efforts to achieve the targeted milestones.

During the year, the Company continued its emphasis on improvement and upgradation of the skills of its employees across the board. Your company imparts training for knowledge on product, process and systems to ensure proper selling of our financial products. Your company continues to provide opportunities for growth, differentiated rewards and engagement for the employees. Your company has created communication channels for the employees to connect with the senior management including conducting Town hall Meets. The employee relations continued to remain cordial during the year.

Your company gives utmost importance to the voice of its employees and seeks feedback from employees by creating a framework by instituting a system of yearly employee satisfaction survey conducted by an external agency of repute.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

Your company continues to be progressive in its efforts to introduce policies which will give work life balance to its employees. The company has a policy of flexible working hours and also introduced a mandatory leave policy for the staff to get rejuvenated and recharged after work break at least once a year. For the benefit of woman employees, the Company introduced a liberal Maternity Leave Policy beyond the legislated norms and Pink Day Policy providing flexible working arrangement for female employees.

Your company has also implemented a whistleblower policy to have a vigil mechanism so that any unethical or improper activity at any level can be brought to the notice of the Audit Committee and the Board.

11. Corporate Social Responsibility:

Your company is committed to do the business with the purpose of creating a social impact amongst the targeted merchant community in the bottom of the pyramid.

Your company conducts an annual survey amongst a sample of our customers to understand whether the company could create the desired impact. We are happy to share with you that the results continue to show positive indicators like creation of more

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employment, improving the bankability of the merchant, improved CIBIL score of the merchants, helping the women entrepreneurs etc.

12. Customer Retention Measures:

Your company has instituted a robust customer redressal framework and also conducts an annual customer satisfaction survey to get an unbiased customer feedback. These customer feedbacks are used to remedy and redress any grievances by improving on the processes or offerings.

Your directors are happy to report that your company has been able to maintain a healthy customer retention ratio.

13. Future plans

I am delighted to share with you that your company will continue to invest in areas of Technology and Product innovation. Your company has invested in developing Mobile apps and web interfaces to make the delivery of products to customers faster and easier to get a superior customer experience.

The operations are streamlined by bringing in more automation and straight through processes in the lending workflow for reducing the cost of operations and bring in more efficiency.

As the company is growing and is likely to cross the threshold for being categorized as systemically important NBFC, internal control measures and systems and processes for compliance tracking are being focused on and investments are made in these areas to strengthen the governance and oversight mechanism.

14. Material Changes and Commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

15. Risk Management Policy

The Company has adopted a Risk Management Policy to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company's internal control systems are commensurate with the nature of its business and the size and complexity.

Your company has initiated a review mechanism by an external agency to assess the Internal Financial Controls by assessing the processes across functions and the information security measures that are in place and testing the robustness of the existing control measures so as to further strengthen the processes and controls where it is wanting.

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16. Particulars of Loans, Guarantees Or Investments

Details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

17. Particulars of Contracts or Arrangements With Related Parties Referred to in Section 188

Particulars of the transactions as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 is attached and forms part of this Report.

18. A) Directors

In June, 2016 Mr. Prashasta Seth, representing IIFL Seed Ventures Fund I and Ms. Smita Aggarwal, representing ON Mauritius were appointed as a Director of the Company.

Mr. C. V. Madhukar resigned from the Board in June, 2016. The Board appreciates the excellent support and contribution of Mr. C. V. Madhukar.

Mr. Piyush Kumar Khaitan is liable to retire by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment. The Board recommends his re-appointment.

The remuneration of Executive Director is 10.45 times to the median employees' remuneration.

B) Meeting of the Board:

During the financial year 2016-17, the Board duly met 19 times on:

25/04/2016,	12/05/2016,	26/05/2016,	30/05/2016,	13/06/2016,	16/06/2016,
21/06/2016,	27/06/2016,	21/07/2016,	16/08/2016,	15/09/2016,	09/11/2016,
17/11/2016,	21/12/2016,	19/01/2017,	27/02/2017,	09/03/2017,	23/03/2017,
31/03/2017					

C) Reconstitution of Audit Committee and constitution of Compensation and Credit Committee

Your Company reconstituted its Audit Committee, Compensation Committee and Credit Committee in July, 2016 to further strengthen and build a robust governance structure.

Further a Borrowing and Resources Committee of Directors was set up to decide borrowing strategy and give focused attention to the borrowing proposals and for fast tracking the decision making.

19. Directors' Responsibility Statement

As required under Section 134 of the Companies Act, 2013, the Directors confirm that:

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- (a) in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period ;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

20. Fixed Deposits

The Company has not accepted any deposit during the year under review.

21. Conservation of Energy, Technology Absorption

Your Company is in the Service Industry wherein the cost of Energy in its operation is not substantial. However, all necessary steps are taken to conserve energy wherever possible. The Company continues its emphasis on innovation and technology improvement at all levels.

22. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year was NIL and the Foreign Exchange outgo during the year in terms of actual outflows was Rs.56.38 lacs.

23. Particulars of Employees & Stock Appreciation Plan 2015

The table containing the names and other particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report.

During the year under review the Company granted Stock Appreciation Rights (SAR) to eligible employees. The Company further granted 4,46,000 SARs with equal vesting on completion of every anniversary. 1,66,300 SARs were reversed on resignation of eligible employees. Hence, the total number of SARs granted are 13,16,900 as on 31st March, 2017.

24. Auditors

The Board of Directors have recommended appointment of S.R.Batliboi & Associates LLP (Indian entity of EY) to act as Statutory Auditor for the current financial year.



ending March 31, 2018 as M/s. Singhi & Co, the current Statutory Auditors wished to resign having completed a 5 years term. Members are requested to appoint the new auditors and give mandate to audit committee to fix the remuneration.

25. Extract of the annual return

The extract of the annual return in Form No. MGT – 9 is attached and forms part of this Report.

26. Secretarial Audit Report

The Secretarial Audit Report as required u/s 204 of the Companies Act, 2013 is attached and forms part of this Report.

27. Appreciation

We are grateful to the Government of India, the State Government, the Reserve Bank of India and other Regulatory authorities for their valuable guidance and support and wish to express our sincere appreciation for their continued cooperation and assistance.

We wish to thank our Bankers, Investors, Lenders, customers, business associates for their continued support and trust reposed on us.

Your directors acknowledge with gratitude the encouragement and support extended by our valued shareholders and by the employees at all levels.

For and On Behalf of the Board of Directors

Dhruv Khaitan

Dhruv Kumar Khaitan
Chairman

DIN: 00002584

Address: 503, Tower 2B, One Indiabulls Centre, S. B. Marg, Mumbai 400013



Place: Mumbai

Date: 20th July, 2017

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Annexure to Directors Report

Information as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report for the year ended 31st March, 2017

Employee name	Mr. Raju Shetty
Designation	Chief Technology Officer
Remuneration received	1,05,00,000
Nature of employment, whether contractual or otherwise	On Payroll
Other terms and conditions	As per Company's hiring policy
Nature of duties of the Employee	Technology enablement of business operations
Qualifications and experience of the employee	BE(EC), MS, IT Experience: 16 Yrs
Date of commencement of employment	14 th December, 2015
Age	39 yrs
Last employment held by such employee before joining the company	Flipkart
Percentage of equity shares held by the employee in the company within the meaning of sub-clause (iii) of clause (a) of sub-section (2A) of section 217 of the Act	Nil
Relationship with any of the Directors or Managers of the Company	No

Note: Remuneration shown above includes the amount spent by the Company on behalf of the employee for providing the perquisites.

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Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis - NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Dilta Services LLP
Nature of contracts/ arrangements/ transactions	Shared Services
Duration of the contracts / arrangements/ transactions	Annually
Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 13,41,648 Shared services recovered from Dilta.
Date(s) of approval by the Board, if any	19 th October 2015
Amount paid as advances, if any	*

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Form No. MGT – 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	U51504MH1993PTC251544
ii)	Registration Date	17 th May, 1993
iii)	Name of the Company	NeoGrowth Credit Private Limited
iv)	Category/Sub Category of the Company	Private Company/ Limited by shares
v)	Address of the Registered office and contact details	503, Tower 2B, One IndiaBulls Centre, 841, S. B. Marg, Mumbai
vi)	Whether listed company (Yes/No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 008

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
i)	Other financial service activities, except insurance and pension funding activities	K649	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN	Holding/Subsidiary/ Associate Company	% of shares held	Applicable Section
i)	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity share Capital Breakup as percentage of total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the end of the Year	% Change during the

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	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A. Promoter								
1) Indian								
a) Individual/HUF	1800000 0	-	1800000 0	99.99	1800000 0	-	1800000 0	99.99
b) Central Govt	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-
1) Any Other	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	1800000 0	-	1800000 0	99.99	1800000 0	-	1800000 0	99.99
2) Foreign								
g) NRIs-Individuals	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-
i) Bodies	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-
Total Promoters Shareholding (A)=(A)(1)+(A)(2)	1800000 0	-	1800000 0	99.99	1800000 0	-	1800000 0	99.99
B. Public Shareholding								
1. Institutions								
a) Mutual Funds	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-
1) Insurance Companies	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-

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2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	100	300	400	0.01	200	300	500	0.01	0.001
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of									
c) Others (Specify)									
Sub-total(B)(2)	100	300	400	0.01	200	300	500	0.01	0.001
Total Public Shareholding (B)=(B)(1)+(B)(2)	100	300	400	0.01	200	300	500	0.01	0.001
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	1800010 0	300	1800040 0	100	1800010 0	300	1800050 0	100	

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share Holding during the
		No. of Shares	% of total Shares of the	% of Shares Pledged /	No. of Shares	% of total Shares of the	% of Shares Pledged / encumber	
1.	Mr. Dhruv Kumar Khaitan	90,00,000	49.99	-	90,00,000	49.99	-	-

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2.	Mr. Piyush Kumar Khaitan	90,00,000	49.99	-	90,00,000	49.99	-	-
	Total	180,00,000	99.99	-	180,00,000	99.99	-	3.66

iii. Change in Promoters' Shareholding (please specify, if there is no change) – NO CHANGE

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):-

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Name of the Shareholder – ON Mauritius				
	At the beginning of the year	100	0.0006	-	-
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/ bonus/sweat equity	32 (Transfer of equity shares on 19.01.2017)	0.0002	68	0.0004

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	At the End of the year (or on the date of separation, if separated during	68	0.0004	-	-
2	Name of the Shareholder – Aspada Investment Company				
	At the beginning of the year	100	0.0006	100	0.0006
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity	-	-	100	0.0006
	At the End of the year (or on the date of separation, if separated during the year)	100	0.0006	100	0.0006
3	Name of the Shareholder – Khosla Impact I Mauritius				
	At the beginning of the year	100	0.0006	100	0.0006
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity	-	-	100	0.0006
	At the End of the year (or on the date of separation, if separated during the year)	100	0.0006	100	0.0006
4	Name of the Shareholder – Accion Frontier Inclusion Mauritius				
	At the beginning of the year	100	0.0006	100	0.0006

Dkn



Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/ bonus/sweat equity)				
At the End of the year (or on the date of separation, if separated during the year)	100	0.0006	100	0.0006

5	Name of the Shareholder – IIFL Seed Ventures Fund I				
	At the beginning of the year				
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/ bonus/sweat equity)	100	0.0006	100	0.0006



Dhruv

	At the End of the year (or on the date of separation, if separated during the year)	100	0.0006	100	0.0006
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Name of the Shareholder – WestBridge Crossover Fund LLC					
6	At the beginning of the year	-	-	32	0.0002
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity)	32 (Received equity shares from ON Mauritius on 19.01.2017)	0.0002	-	-
	At the End of the year (or on the date of separation, if separated during the year)	32	0.0002	-	-

(v) Shareholding of Directors and Key Managerial Personnel: -

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	Name of the Director: Mr. Dhruv Kumar Khaitan				




At the beginning of the year	90,00,000	49.99	90,00,000	49.99
Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat				
At the End of the year	90,00,000	49.99	90,00,000	49.99
2. Name of the Director: Mr. Piyush Kumar Khaitan				
At the beginning of the year	90,00,000	49.99	90,00,000	49.99
Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat Equity etc):				
At the End of the year	90,00,000	49.99	90,00,000	49.99

V. INDEBTEDNESS AS ON MARCH 31, 2017:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,84,46,30,671	25,00,00,000		2,09,46,30,671

DKK



ii) Interest due but not paid				
iii) Interest accrued but not due	1,42,20,522			1,42,20,522
Total (I + ii +iii)	1,85,88,51,193	25,00,00,000		2,10,88,51,193
Change in indebtedness during the financial year				
- Addition	3,40,04,67,000	9,02,93,400		3,49,07,60,400
- Reduction	1,15,19,90,777	25,00,00,000		1,40,19,90,777
Net Changes	2,24,84,76,223	(15,97,06,600)		2,08,87,69,623
Indebtedness at the end of the financial year				
i) Principal Amount	4,09,31,06,894	9,02,93,400		4,18,34,00,294
ii) Interest due but not paid				
iii) Interest accrued but not due	5,92,16,001	24,99,782		6,17,15,783
Total (i+ii+iii)	4,15,23,22,895	9,27,93,182		4,24,51,16,077

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole – time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of the Director: Mr. Piyush Kumar Khaitan
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	44,40,000
	(b) Value of perquisite u/s 17(2) of the Income Tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- As % of profit	-
	- Others, specify	-
5	Others, please specify	-
	Total (A)	44,40,000
	Ceiling as per the Act	-

DKK



B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Others, Professional fees	Total Amount
1	Independent Director	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non – Executive Directors	-	-	18,00,000	18,00,000
	Total (2)	-	-	18,00,000	-
	Total (B) = (1+2)	-	-	18,00,000	18,00,000
	Total Managerial Remuneration	-	-	18,00,000	18,00,000
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to key managerial Personnel other than MD/Manager/Whole Time Director/CEO/CFO/CS -

Sl. No.	Particulars of Remuneration	Key managerial Personnel		
		CFO & CS	COO	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	78,64,103	92,44,297	1,71,08,400
	(b) Value of perquisite u/s 17(2) of the Income Tax Act, 1961	14,40,000	-	14,40,000
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit			
	- Others, specify			
5	Others, please specify	-	-	-
	Total	93,04,103	92,44,297	1,85,48,400

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VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2017.

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SACHIN DEDHIA & ASSOCIATES

COMPANY SECRETARIES

Sachin P. Dedhia

A.C.S., LL.B., B. Com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 2016-17

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Neogrowth Credit Private Limited

We have conducted the secretarial audit of all applicable statutory provisions for the financial year 2016-17 of Neogrowth Credit Private Limited (hereinafter called the Company), incorporated on 17th May 1993 having CIN:U51504MH1993PTC251544 and Registered Office at 503, Tower 2B, One IndiaBulls Centre, 841, S. B. Marg, Mumbai - 400013. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder wherever applicable;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



SACHIN DEDHIA & ASSOCIATES

COMPANY SECRETARIES

Sachin P. Dedhia

A.C.S., LL.B., B. Com

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) Following other laws as may be applicable specifically to the Company
- (a) The Reserve Bank of India Act, 1934
 - (b) Prevention of Money Laundering Act, 2002
 - (c) Information Technology Act, 2000

I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Debt Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



SACHIN DEDHIA & ASSOCIATES

COMPANY SECRETARIES

Sachin P. Dedhia

A.C.S., LL.B., B. Com

We further report that during the audit period the Company has transacted following material activities through the approval of Board/Members, wherever applicable:

1) Special Resolution dtd 28th April 2016 for Increase in authorised share capital from 36.5 crores to 47 crores;

2) Allotment 2,02,467 secured, rated, listed, redeemable, non-convertible debentures of Rs. 1,000/- each on Private Placement basis on 26th May 2016 to Global Commercial Microfinance Consortium II B.V.;

3) Allotment of 100 equity shares of Rs. 10/- each and 94,88,272 preference shares of Rs. 10/- each both at a premium of Rs. 103.17/- per share on Private Placement basis on 21st June 2016;

4) Special Resolution dtd 21st June 2016 for Alteration of Articles of Association of the Company.

5) Allotment 333 & 67 secured, rated, listed, redeemable, non-convertible debentures of Rs. 10,00,000/- each to MicroVest Short Duration Fund LP and MicroVest+ Plus, LP respectively on Private Placement basis on 27th June 2016;

6) Allotment 403 secured, rated, listed, redeemable, non-convertible debentures of Rs. 10,00,000/- each on Private Placement basis on 16th August 2016 to AAV Sarl;

7) Allotment 400 secured, rated, listed, redeemable, non-convertible debentures of Rs. 10,00,000/- each on Private Placement basis on 29th September 2016 to BlueOrchard Microfinance Fund;

8) Special Resolution dtd 15th December 2016 u/s 180(1)(a) & 180(1)(a)(c) of the Companies Act, 2013;

9) Allotment 350 secured, rated, listed, redeemable, non-convertible debentures of Rs. 10,00,000/- each on Private Placement basis on 7th February 2017 to UTI International Wealth Creator 4;

10) Special Resolution dtd 10th February 2017 for Alteration of Articles of Association of the Company.

11) Allotment 325 secured, rated, listed, redeemable, non-convertible debentures of Rs. 10,00,000/- each on Private Placement basis on 16th March 2017 to ACTIAM Institutional Microfinance Fund III (AIMF III);


12) Allotment 2500 secured, rated, listed, redeemable, non-convertible debentures of Rs. 1,00,000/- each on Private Placement basis on 29th March 2017 to A. K. Capital Services Ltd.

Date: 20th July, 2017

Mumbai



SACHIN DEDHIA & ASSOCIATES
COMPANY SECRETARIES


SACHIN DEDHIA
PROPRIETOR
MEM. No. A-20401, COP No. 9427

SACHIN DEDHIA & ASSOCIATES

COMPANY SECRETARIES

Sachin P. Dedhia

A.C.S., LL.B., B. Com

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Neogrowth Credit Private Limited


Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Date: 20th July, 2017
Mumbai



SACHIN DEDHIA & ASSOCIATES
COMPANY SECRETARIES


SACHIN DEDHIA
PROPRIETOR
MEM. No. A-20401, COP No. 942f

Independent Auditor's Report

To the Members of NeoGrowth Credit Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **NEOGROWTH CREDIT PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

1. Note 26 (i) (a), which describe impact of change in accounting policy for recognition of Non – Performing Assets, classification and provisioning thereon. Had the Company followed the previous policy for classification and provisioning for sub-standard, doubtful & loss assets, the provision recognized for the year would have been higher by Rs. 196.64 lacs as compared to Rs. 853.02 lacs including bad debts i.e. loans written off amounting to Rs. 957.09 lacs recognized as per the revised policy.
2. Note 26 (ii), which describe impact of change in accounting policy for borrowing cost. Had the Company followed previous policy for expensing out the expenses as and when incurred, the amount of finance charges would have been higher by Rs 144.90 lacs as compared to Rs. 4.398.52 lacs recognized as per the revised policy.

Our opinion is not qualified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016; issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the order"), and on the basis of examination of the books and records of the Company and according to the information and explanations given to us, we give in the Annexure 'A' statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B', and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016; and such disclosures are in accordance with the books of accounts maintained by the Company. Refer Note 40 to the financial statements.

Place: Mumbai

Date: 11 MAY 2017



For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

A handwritten signature in blue ink, appearing to read "Sukhendra Lodha".

Sukhendra Lodha
Partner

Membership No.071272

Annexure A referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: NeoGrowth Credit Private Limited (the Company)

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets has been conducted by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the Company is not having any immovable property. Accordingly, provisions of the paragraph 3 (i)(c) of the Order are not applicable.
- (ii) The Company is a Non - Banking Financial Company and it does not hold any inventory. Thus, provisions of the paragraph 3 (ii) of the Order are not applicable.
- (iii) As informed to us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act with respect to investments made. The Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 of the Companies Act, 2013.
- (v) The Company has not accepted any deposit from the public within the meaning of section 73 to 76 of the Act and Rules framed thereunder to the extent notified.
- (vi) According to the information and explanations given to us and in our opinion, the Company is not required to maintain cost records under sub section (1) of section 148 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(vi) of the Order are not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Service Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed amounts payable in respect of provident fund, Employee's State Insurance, Income Tax, Service Tax, Cess and other material statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
- (b) There are no dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute .
- (viii) According to the records of the Company examined by us and the information and explanations provided to us, the Company has not defaulted in repayment of loans or borrowings to any Financial Institutions or Banks or dues to debenture holders. Further as at the Balance sheet date the Company does not have any loans or borrowing from the Government.



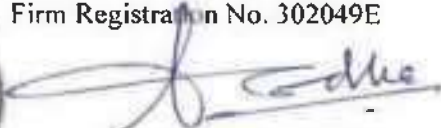
- (ix) In our opinion, and according to the information and explanations given to us, the money raised by way of term loans and debt instruments have been applied for the purpose for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees noticed or reported during year nor have been informed of any such case by the Management.
- (xi) Provisions of the Section 197 of the Companies Act, 2013, related to managerial remuneration applies to public company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, Related Party Transactions.
- (xiv) The Company has made preferential allotment of cumulative convertible preference shares during the year and has complied with the provisions of Section 42 of the Companies Act, 2013. According to the information and explanations given to us and based on our examination of the records of the Company amount raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is registered with the Reserve Bank of India under section 45-IA of the Reserve Bank of India Act, 1934 since 13th September 2001 (updated on 13th September 2013).

Place: Mumbai

Date: 11 MAY 2017



For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E


Sukhendra Lodha
Partner

Membership No.071272

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NEOGROWTH CREDIT PRIVATE LIMITED ("the Company")** as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the



- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai

Date: 11 MAY 2017



For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

Sukhendra Lodha
Sukhendra Lodha
Partner
Membership No.071272

NeoGrowth Credit Private Limited

Balance Sheet as at 31st March 2017

(Amount in Rs.)

PARTICULARS	Notes	31st March 2017 (Rs.)	31st March 2016 (Rs.)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
a). Share Capital	3	44,83,21,920	35,34,38,200
b). Reserves and Surplus	4	1,11,43,43,202	8,74,84,974
		1,56,26,65,122	44,09,23,174
Non -Current Liabilities			
a). Long Term Borrowings	5	3,21,05,88,658	1,19,73,82,704
b). Long Term Provisions	6	5,95,43,407	2,44,56,588
c). Other Long Term Liabilities	7	11,38,236	11,10,246
		3,27,12,70,301	1,22,29,49,538
Current Liabilities			
a). Short Term Borrowings	8	48,35,07,669	21,54,81,414
b). Trade Payables	9		
i).Creditors Other than Micro and Small Enterprises		2,56,89,822	92,39,533
ii).Micro and Small Enterprises			-
c). Other Current Liabilities	10	74,58,06,420	76,76,27,800
d). Short Term Provisions	11	10,37,56,929	4,07,11,036
		1,35,87,60,840	1,03,30,59,783
TOTAL		6,19,26,96,263	2,69,69,32,495
<u>ASSETS</u>			
Non-Current Assets			
a). Fixed Assets	12		
i).Tangible Assets		1,95,07,240	2,02,96,937
ii).Intangible Assets		98,25,565	1,25,76,733
ii).Capital Work in Progress		16,08,039	-
b). Long Term Loans and Advances	13	20,97,49,231	15,80,25,469
c). Other Non Current Asset	14	1,82,94,873	8,59,53,680
		25,89,84,948	27,68,52,819
Current Assets			
a). Trade Receivables	15	89,98,586	3,17,476
b). Cash and Cash Equivalent	16	1,17,84,84,143	8,59,70,112
c). Short Term Loans and Advances	17	4,71,28,14,967	2,29,29,05,104
d). Other Current Assets	18	3,34,13,619	4,08,86,984
		6,19,26,96,263	2,69,69,32,495
TOTAL		6,19,26,96,263	2,69,69,32,495
Significant accounting policies	2		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

Sukhendra Lodha
Partner

Membership No.071272

Place: Mumbai

Date: 11 MAY 2017



Smita Aggarwal
Director

(DIN 01478327)

For and on behalf of the Board of Directors

Piyush Khaitan
CEO & Managing
Director

(DIN 00002579)

B.Ravi Kumar
CFO & CS

(DIN 00046966)



NeoGrowth Credit Private Limited

Statement of Profit and Loss for the Year Ended 31st March 2017

(Amount in Rs.)

PARTICULARS	Note No.	For the year ended 31st March 2017	For the year ended 31st March 2016
INCOME			
Revenue from Operations (net)	19	1,32,85,02,429	48,78,84,199
Other Income	20	5,15,93,606	1,91,04,200
Total		1,38,00,96,035	50,69,88,399
EXPENSES			
Employee Benefits Expense	21	36,12,32,402	20,02,82,382
Finance Cost	22	43,98,52,420	18,78,87,308
Depreciation and Amortization Expense	12	1,53,88,746	1,21,39,196
Other Expenses	23	48,72,20,202	22,12,27,345
Total		1,30,36,93,770	62,15,36,231
Profit/(Loss) before Tax & Exceptional Items		7,64,02,265	(11,45,47,832)
Exceptional Items	24	1,25,00,000	-
Profit/(Loss) before tax		6,39,02,265	(11,45,47,832)
Tax Expenses			
Current tax		65,98,462	-
Deferred tax	33	-	-
Profit/(Loss) for the year (after tax)		5,73,03,803	(11,45,47,832)
Earnings per equity share [face value of Rs.10 each]			
Basic earning per share (Rs.)	25	3.18	(6.36)
Diluted earning per share (Rs.)	25	1.71	(3.95)
Significant accounting policies	2		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached


For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E


Sukhendra Lodha
Partner



Membership No.071272
Place: Mumbai
Date: **11 MAY 2017**

For and on behalf of the Board of Directors


Smita Aggarwal
Director
(DIN 01478327)


Piyush Khaitan
CEO & Managing
Director
(DIN 00002579)


B.Ravi Kumar
CFO & CS
(DIN 00046966)

11 MAY 2017



NeoGrowth Credit Private Limited

Cash Flow Statement for the Year Ended 31st March 2017

	For the year ended 31st March 2017	For the year ended 31st March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	6,39,02,265	(11,45,47,837)
Adjustment for:		
Depreciation & Amortization Expense	1,53,88,746	1,21,39,196
Provision for Gratuity	25,04,933	16,91,605
Contingency Fund utilization	(22,50,026)	21,11,560
Profit on Sale of Investment	(3,66,16,792)	(90,61,221)
Interest received	(76,06,752)	(69,05,934)
Provision for Standard Asset	57,56,375	48,38,687
Provision for doubtful loans and advances written off	8,53,01,537	3,91,66,170
Sundry balances written off	13,53,527	-
Liability no longer required	(41,31,006)	(18,04,141)
Employee Compensation Expenses Account (SARs)(Refer Note 31(i))	3,22,14,136	1,68,37,332
Operating profit before working capital changes	15,58,16,943	(5,55,34,583)
Movement in working capital :		
Increase/(decrease) in Trade Payables	1,64,50,289	58,12,434
Increase/(decrease) in Other Current Liabilities & Provisions	13,46,94,836	10,20,06,191
Decrease/(increase) in Loans and Advances	(2,54,02,48,863)	(1,99,52,18,395)
Decrease/(increase) in Other Current Assets	(30,35,078)	(30,46,652)
Decrease/(increase) in Trade Receivables	(86,81,110)	(3,17,476)
Cash generated from / (used in) operation	(2,24,50,02,983)	(1,94,62,98,481)
Direct taxes paid (net of refund)	(1,24,75,286)	(17,87,429)
Net cash flow from / (used in) operating activities (A)	(2,25,74,78,269)	(1,94,80,85,910)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(1,34,27,931)	(1,60,79,855)
Purchase of Investments	(12,36,66,00,000)	(2,15,08,00,000)
Proceeds from Sale of Investments	12,40,32,16,792	2,16,57,05,325
Deposits with Banks and Financial Institution (net) - (Placed) / Matured	4,38,19,725	(7,45,77,413)
Security Deposits (Placed) / Matured - (net)	(58,82,015)	(71,58,827)
Interest received	84,75,709	33,70,416
Net cash flow from / (used in) investing activities (B)	6,96,02,280	(7,95,40,354)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of shares (net of expenses)	1,06,67,12,871	14,83,82,281
Proceeds from Borrowings	71,02,93,400	1,72,75,00,000
Proceeds from Issue of Debentures	2,73,04,67,000	55,00,00,000
Repayment of Debentures	(25,00,00,000)	-
Repayment of Borrowings	(1,02,53,70,097)	(64,49,34,452)
Net cash flow from / (used in) financing activities (C)	3,23,21,03,174	1,78,09,47,829
Net Increase/(Decrease) in cash and cash equivalents (A + B + C)	1,04,42,27,185	(24,66,78,435)
Cash and cash equivalents at the beginning of the year	8,59,70,112	33,26,48,547
Cash and cash equivalents at the end of the year	1,13,01,97,297	8,59,70,112

Notes:

- 1 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statement as specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended)
- 2 Deposit placed with banks and financial institutions including been earmarked as collateral against the borrowings or otherwise, has not been considered as part of Cash & Cash Equivalent.
- 3 Figures for the previous period have been regrouped / rearranged wherever found necessary.

As per our report of even date attached

For Singh & Co.

Chartered Accountants

Firm Registration No: 3020

Sakshendra Pruthi

Partner

Membership No.071272

Place: Mumbai

Date: 11 MAY 2017

For and on behalf of the Board of Directors

Smita Aggarwal

Director

(DIN 01478327)

Piyush Khaitan

CEO & Managing

Director

(DIN 00002579)

B.Ravi Kumar

CFO & CS

(DIN 00046966)



SIGNIFICANT ACCOUNTING POLICIES

1 Corporate Information

Neogrowth Credit Private Limited formerly known as BPJ Credit & Investments Private Limited was incorporated on 17th May 1993 (name changed w.e.f. 26th September 2012) has been registered with Reserve Bank of India under Section 45 - IA of the Reserve Bank India Act, 1934 as non-deposit taking and non-systematically important Non-Banking Financial Company w.e.f. 13th September 2001. Presently the Company is engaged in giving loans to the merchants.

2 Significant Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC') and guidelines issued by Securities and Exchange Board of India (SEBI), to the extent applicable. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for the change in accounting policies explained below. All assets and liabilities have been classified as current or non-current as per the company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and the time between the acquisition of assets for processing and on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current- noncurrent classification of assets and liabilities.

2.2 Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

2.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and revenue can be reliably measured as under:

i) Interest Income on Loan:

The Company is engaged in lending activity, having different loan products and revenue is primarily derived from interest on loans.

Interest on loans given is recognized under the internal rate of return derived in each loan agreement and accrued on daily basis on opening outstanding principal. Interest or any other charges on Non-Performing Assets are recognized only when realized and any such income recognized before the asset become non performing and remaining unrealized is reversed.

ii) Dividend Income:

Dividend income is recognized when the right to receive dividend is established.

iii) Income on Securitized assets:

Income from securitized assets is recognized as Interest spread between accrued interest on the securitized assets and interest payable to Lender.

iv) Others:

- The Company follows the accrual method of accounting for recognition of income except for processing fees, delayed payment charges, Terminal fees and other fee based income, which on account of uncertainty of ultimate collection are accounted on receipt basis.
- Service fee on Syndication is accounted on the basis of monthly collection done as per the terms of agreement with syndication partners.
- Income recognition in case of Non Performing Assets (NPA) is done in accordance with the norms prescribed by the Reserve Bank of India. Accordingly income recognized on NPA, remaining unrealized are reversed and are accounted as income when these are actually realized
- Interest income on deposits with banks is recognized on a time proportion accrual basis taking into account the amount outstanding and the rate applicable
- Income from sale of shares and securities of companies acquired for the purpose of trading and held as stock in trade are recognized on trade dates.

2.4 Fixed Assets

Tangible Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

Intangible Assets are stated at cost less accumulated amortization. Cost includes any directly attributable expenditure on making the asset ready for its intended use.

2.5 Depreciation and Amortization

Deprecation on tangible assets has been provided on the Written Down Value method as per the remaining useful life of assets as per the provisions of Schedule II of the Companies Act 2013, except leasehold improvements & Mobile Point of Sale Device which are separately mentioned here under.

Assets	Useful life As per Companies Act, 2013	Useful life
License Property Improvement Work		As per Lease Period
Office Equipments		
Mobile Point of Sale Device		2
Others		5
Computers	3	3
Software:		
Advance Suite	As per AS-26	7
Others		6
Furniture & Fixture	10	10

- i Depreciation has been provided as prescribed under Part C of Schedule II of the Companies Act 2013.
- ii In respect of Mobile Point of Sale Device, on the basis of usage pattern, the useful lives as mentioned above best represent the period over which management expects to use these assets. Hence the useful life in respect of this asset is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013.
- iii All capital assets with individual value less than Rs. 5000/- are depreciated fully in the month in which they are purchased.
- iv No salvage value has been estimated in case of license property improvement work, mobile and advance suite.



2.6 Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generation unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

2.7 Investments

Long Term Investments are valued at cost. The company provides for diminution other than temporary, in the value of Long Term investments. Current Investments are stated at lower of cost and fair value.

2.8 Foreign Currency Transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction or that approximate the actual rate at the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end/settlement date are restated at the year end rates. In case of monetary items which are covered by the forward exchange contracts, if any, the difference between the year end rate and the rate on the date of the contract is recognized as exchange rate difference and the premium paid on forward contracts is recognized over the life of contract.
- iii) Non Monetary foreign currency items are carried at cost.
- iv) Any income / expenses, if any, on account of exchange difference either on settlement or on translation is recognized as Revenue except in case where they relate to acquisition of fixed assets in which case they are adjusted or capitalized to the carrying cost of such assets.

2.9 Employee benefits

- i) Short term employee benefits are accounted for in the year in which the related services are rendered by the employees.
- ii) Defined Retirement Benefit contributions are provided for on actual basis as and when the contributions accrues.
- iii) The liability for Gratuity, a deemed benefit obligation, as and when accrued is provided for on the basis of actuarial valuation as at the Balance Sheet date.

2.9 (i) Stock appreciation rights (SARs)

The cost of cash settled transactions (stock appreciation rights) is measured initially using fair value method at the grant date taking into account the terms and conditions upon which instruments are granted. The fair value is amortized on a straight line basis over the vesting period with a recognition of corresponding liability. This liability is remeasured at each balance sheet date up to and including the settlement date with changes in intrinsic value recognized in statement of profit and loss in employee benefit expenses.

2.10 Provisions

Provision for Standard Assets

Provision on standard assets has been made at 0.25% in accordance with the Reserve Bank of India ('RBI') guidelines.

Change in Accounting Policy

Classification & Provision for Non - Performing Assets (NPA)

The Company has changed its policy for classification of Non - Performing Assets (NPA) and provision thereon. As per the revised policy, NPA recognition will be done on the basis of "days past due" of advances to the merchants and the latency observed in the account.

The following is the Company's policy for classification of assets and provisioning thereon:

Asset Classification	Days Past Dues(DPD)	Provision %
Sub - Standard Asset	Advance past due for more than 120 days but less than 210 days	10%
	Advance past due for more than 210 days but less than 270 days	50%
Doubt full Asset	Advance past due for more than 270 days but less than 300 days	100%
Loss Asset	Advance past due for more than 300	100%

b. Based on percentage of expectations (latency criteria)

If the repayment from the merchant, in between the period of 30 days from date of disbursement but upto 120 days, is not upto 30% of the expected payment, then account will be classified as Sub-standard and 10% provision will be provided.

c. Specific Provision - Any account based on portfolio behavior are recommended for provisioning at 100% of principal outstanding

d. A Non - Performing Account will be regularized and classified as Standard, once the DPD attains less than 120 days DPD in case (a) & less than 30 days DPD in case (b).

e. Any account will trigger for write-off, if any of the condition meets:

- i. 90 days from the date when specific provision (business closure, portfolio behavior signaling a willful default are few examples for taking specific provision) is made.
- ii. Merchant accounts with DPD' greater than 300 days
- iii. Fraud

Other Provisions

Provisions are recognized where reliable estimate can be made for probable outflow of resources to settle the present obligation as a result of past event and the same is reviewed at each Balance Sheet date. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date.

2.11 Contingent Liabilities

Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Asset is neither recognized nor disclosed in the financial statements.



2.12 Taxation

i) Provision for current tax, if applicable, is made after taking into consideration benefits available under the provisions of Income Tax Act, 1961.

ii) Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the ICAI, the said asset is created by way of credit to Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

iii) Provision is made for deferred tax liability for all timing differences arising between taxable incomes and accounting income at latest enacted income tax rates. Deferred tax assets & liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and relate to the taxes on income governed by the same taxation laws. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

2.13 Borrowing Cost :

Change in Accounting Policy

- Interest on borrowings is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.
- Discount on Commercial papers is amortized over the tenor of the underlying instrument.
- Premium payable on redemption of debentures is accrued over the tenor of the debentures.
- Ancillary Charges such as processing fees or loan management fees incurred in connection with the arrangement of borrowings, including borrowings sanctioned but not availed, is amortized on a straight-line basis, over the tenure of the respective borrowings.
- Unamortized borrowing costs remaining, if any, are fully expensed off as and when the related borrowings are prepaid / cancelled.
- Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalized. In determining the amount of borrowing costs eligible for capitalization during the period, any income earned on the temporary investments of those borrowing is deducted from cost incurred.
- Other borrowing costs, not specified above, are recognized as expenses in the period in which they are incurred.

2.14 Operating Leases

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

2.15 Earning per share

In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of an extraordinary / exceptional item, if any. The number of shares used in computing basic earning per share is the weighted average number shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16 Share Issue expenses

Share issues expenses are adjusted against Securities Premium Account as permissible under Section 52 of the Companies Act, 2013 to the extent of any balance is available for utilization in the Securities Premium Account and it contain expenses paid for Arranger fees, Stamp duty, ROC fees and Legal fees.

3 Share Capital:

	As at	
	31st March 2017	31st March 2016
Authorized Share Capital		
1,90,00,000 (Previous year 1,90,00,000) Equity Shares of Rs. 10/- each	19,00,00,000	19,00,00,000
2,80,00,000 (Previous year 1,75,00,000) Preference Shares of Rs. 10/- each	28,00,00,000	17,50,00,000
	47,00,00,000	36,50,00,000
Issued, Subscribed and Fully paid-up Share Capital		
1,80,00,500 (Previous year 1,80,00,400) Equity Shares of Rs. 10/- each fully paid up	18,00,05,000	18,00,04,000
2,68,31,692 (Previous year 1,73,43,420) 0.01% Cumulative Convertible Preference Shares (CCPS) of Rs. 10/- each fully paid up	26,83,16,920	17,34,34,200
Total	44,83,21,920	35,34,38,200

a. Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period:

	2016-17		2015-16	
	(Nos.)	Amount(Rs.)	(Nos.)	Amount(Rs.)
Outstanding at the beginning of the period	1,80,00,400	18,00,04,000	1,80,00,300	18,00,03,000
Shares allotted during the period	100	1,000	100	1,000
Outstanding at the end of the period	1,80,00,500	18,00,05,000	1,80,00,400	18,00,04,000

Reconciliation of Preference Shares outstanding at the beginning and at the end of the reporting period:

	2016-17		2015-16	
	(Nos.)	Amount(Rs.)	(Nos.)	Amount(Rs.)
Outstanding at the beginning of the period	1,73,43,420	17,34,34,200	1,49,72,538	14,97,25,380
Shares allotted during the period	94,88,272	9,48,82,720	23,70,882	2,37,08,820.00
Outstanding at the end of the period	2,68,31,692	26,83,16,920	1,73,43,420	17,34,34,200

b. Rights, preferences and restrictions attached to Equity Shares:

During the year, the company issued and allotted 100 equity shares of Rs. 10/- each at premium of Rs. 103.17/- per share, through private placement. Consequently the paid-up equity share capital has increased by Rs. 1,000/- & Securities Premium by Rs. 10,317/-, vide resolution dated 21st June 2016.

The Company has a single class of equity shares having a par value of Rs.10/- (Indian Rupees Ten) per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Rights, preferences and restrictions attached to Preference Shares(CCPS):

The Company has a single class of preference shares, Cumulative Convertible Preference Shares (CCPS), having a par value of Rs. 10/- per share. Each share of the series A CCPS shall be converted into one Equity Share of face value of Rs. 10 (Indian Rupees Ten) each subject to the requirements required for any possible corporate share split, issue of bonus shares, etc. The Series A CCPS shall be compulsorily convertible at the end of 20 (twenty) years from the date of issuance of each Series A CCPS. Conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company in respect of the Series A CCPS. The Series A CCPS shall carry a coupon rate of 0.01% per annum.

c. **Details of shareholders holding more than 5% equity Shares in the Company as on reporting date:**

	2016-17			2015-16		
	(Nos.)	(% holding in the class)	% holding in all classes	(Nos.)	(% holding in the class)	% holding in all classes
i. Dhruv Kumar Khaitan	90,00,000	49.999%	20.07%	90,00,000	49.999%	25.46%
ii. Piyush Kumar Khaitan	90,00,000	49.999%	20.07%	90,00,000	49.999%	25.46%

Details of shareholders holding more than 5% Preference Shares in the Company as on reporting date:

	2016-17			2015-16		
	(Nos.)	(% holding in the class)	% holding in all classes	(Nos.)	(% holding in the class)	% holding in all classes
i. Aspada Investment Company	41,89,311	15.61%	9.34%	32,98,624	19.02%	9.30%
ii. ON Mauritius	78,61,825	29.30%	17.54%	87,00,764	50.17%	24.62%
iii. Khosla Impact I Mauritius	32,51,470	12.12%	7.25%	29,86,382	17.22%	8.45%
iv. Accion Frontier Inclusion Mauritius	48,75,985	18.17%	10.88%	23,57,650	13.59%	6.67%
v. IIFL Seed Ventures Fund I	48,59,845	18.11%	10.84%			
vi. West Bridge Crossover Fund LLC	17,93,256	6.68%	4.00%			

d. **Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:**
Nil.

e. **Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date:**
74,62,587 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (22nd May 2013) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

16,97,479 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (25th Mar 2014) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

11,31,720 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (19th June 2014) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

46,80,752 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (31st Mar 2015) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

13,232 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (06th Apr 2015) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

23,57,650 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (29th July 2015) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

94,88,272 shares - 0.01% fully convertible cumulative preference shares of Rs. 10/- each are convertible into equity share in the ratio of 1 equity share for every 1 preference shares held at the end of twenty years from the date of allotment (21st June 2016) or earlier at the option of the preference shareholder. The conversion can be done by investors on any date, provided 30 days advance written notice is given to the Company by the respective investor.

4 **Reserves and Surplus:**

Statutory Reserve

(As required u/s 45 IC of Reserve Bank of India Act, 1934)

	As at	
	31st March 2017	31st March 2016
Balance as at the beginning of the year	1,38,771	1,38,771
Add: Transferred from profit during the year	1,14,60,761	-
Balance as at the end of the year	1,15,99,532	1,38,771

Securities Premium Account

Balance as at the beginning of the year	54,27,55,614	41,80,83,154
Add: Premium on issue of Equity Shares	10,317	5,362
Add: Premium on issue of Preference Shares	97,89,05,022	12,71,26,692
Less: Share Issue Expense(Refer Note 2.16)	(70,86,188)	(24,59,594)
Balance as at the end of the year	1,51,45,84,765	54,27,55,614

Deficit in the statement of Profit & Loss

Balance as at the beginning of the year	(45,76,59,437)	(34,30,94,938)
Add: Profit/(Loss) for the period	5,73,03,803	(11,45,47,832)
Less: Transferred to Statutory Reserve u/s 45 IC of Reserve Bank of India Act, 1934	(1,14,60,761)	-
Less: Dividend on CCPS - (a)	(24,700)	(16,667)
Balance as at the end of the year	(41,18,41,095)	(45,76,59,437)

Contingency Fund - Unutilized

	-	22,50,026
Total	1,11,43,43,202	8,74,84,974

(a) In compliance with the provisions, the Management has provided for dividend on Series A of Cumulative Convertible Preference Shares at the rate of 0.01% on a prorata basis.

(b) Dividend Distribution Tax on the same will be paid to Central Government within 14 days from the date of declaration, distribution or payment of such dividend, whichever is earliest, subject to approval of the shareholders.



Non-Current Liabilities

5 Long Term Borrowings:

	Non - Current Portion		Current Maturities *		Total	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016	31st March 2017	31st March 2016
Secured:						
Redeemable Non Convertible- Debentures (a)	30,00,00,000	30,00,00,000	-	-	30,00,00,000	30,00,00,000
Redeemable Non Convertible- Debentures (b)	20,24,67,000	-	-	-	20,24,67,000	-
Redeemable Non Convertible- Debentures (c)	40,00,00,000	-	-	-	40,00,00,000	-
Redeemable Non Convertible- Debentures (d)	40,00,00,000	-	-	-	40,00,00,000	-
Redeemable Non Convertible- Debentures (e)	40,30,00,000	-	-	-	40,30,00,000	-
Redeemable Non Convertible- Debentures (f)	40,00,00,000	-	-	-	40,00,00,000	-
Redeemable Non Convertible- Debentures (g)	35,00,00,000	-	-	-	35,00,00,000	-
Redeemable Non Convertible- Debentures (h)	32,50,00,000	-	-	-	32,50,00,000	-
Redeemable Non Convertible- Debentures (i)	8,33,33,333	-	16,66,66,667	-	25,00,00,000	-
Loan from Financial Institution (k)	34,67,88,325	64,73,82,704	40,81,38,895	69,06,47,468	75,49,27,220	1,33,80,30,172
Unsecured:						
Redeemable Non Convertible- Debentures (j)	-	25,00,00,000	-	-	-	25,00,00,000
	3,21,05,88,658	1,19,73,82,704	57,48,05,562	69,06,47,468	3,78,53,94,220	1,88,80,30,172

* Current Maturities of Long - Term Borrowings are disclosed under the head "Other Current Liabilities"

Debentures comprises of following:

	Security Details	Date of Allotment	Units	Amount	Redemption Date
a. 13.5% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1	22-Jan-16	300	30,00,00,000	22-Jan-19
b. 13.25% Redeemable Non - Convertible Debentures of Rs. 1000 each #	1.1	26-May-16	202467	20,24,67,000	28-May-19
c. 13.43% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1	29-Sep-16	400	40,00,00,000	29-Sep-19
d. 13.34% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1	22-Nov-16	400	40,00,00,000	22-Nov-19
e. 13.53% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1	16-Aug-16	403	40,30,00,000	17-Aug-19
f. 14.30% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1	27-Jun-16	400	40,00,00,000	27-Jun-19
g. 14.2% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1.2	07-Feb-17	350	35,00,00,000	07-Feb-23
h. 13.55% Redeemable Non - Convertible Debentures of Rs. 10 lac each #	1	16-Mar-17	325	32,50,00,000	16-Mar-20
i. 13.35% Redeemable Non - Convertible Debentures of Rs. 1 lac each #	1	29-Mar-17	2500	25,00,00,000	29-Sep-18
j. 17.5% Redeemable Non - Convertible Debentures of Rs. 10 lac each ##	NA	28-Dec-15	250	25,00,00,000	17-Aug-16

These Debentures are secured by a first charge over the current assets, book debts, receivables and such other assets of the company and is served by way of a charge up to 1.2 times of the merchant advance portfolio. Interest is payable monthly quarterly and half - yearly. These debentures are listed on Bombay Stock Exchange.

These Debentures are unsecured and subordinated to senior debts and eligible for capitalization as Tier-2. Interest was payable every quarter beginning from March'2016. This has been prepaid in August 2016.

k.	Particulars	Rate of Interest	Date of loan taken	Date of Final settlement	Security Details @	Outstanding Amount	
						31st March 2017	31st March 2016
	Loan from Financial Institution	14.00%	27-Jul-15	27-Jul-17	1.2 times	-	3,33,33,336
	Loan from Financial Institution	14.00%	30-Nov-15	30-Nov-17	1.2 times	-	3,33,33,332
	Loan from Financial Institution	15.50%	23-Oct-15	08-Nov-17	1.2 times	-	4,26,98,466
	Loan from Financial Institution	13.62%	22-Mar-16	07-Apr-18	1.1 times	1,44,59,793	2,44,72,605
	Loan from Financial Institution	13.62%	30-Sep-15	07-Oct-17	1.1 times	-	2,50,00,000
	Loan from Financial Institution	14.70%	29-May-15	31-May-17	1.25 times	-	6,96,06,604
	Loan from Financial Institution	14.70%	23-Jul-15	31-Jul-18	1 times	3,55,55,559	6,22,22,224
	Loan from Financial Institution	14.70%	09-Sep-15	31-Aug-18	1 times	2,45,19,482	3,89,08,877
	Loan from Financial Institution	14.70%	14-Oct-15	31-Oct-18	1 times	2,20,07,972	3,25,00,000
	Loan from Financial Institution	14.50%	28-Jan-16	31-Jan-19	1 times	4,64,81,238	6,69,48,103
	Loan from Financial Institution	14.50%	21-Mar-16	29-Mar-19	1 times	3,23,80,619	4,50,00,000
	Loan from Financial Institution	14.50%	31-Mar-16	29-Mar-19	1 times	1,42,92,382	2,00,00,000
	Loan from Financial Institution	15.50%	12-Dec-14	11-Dec-17	1.25 times	-	2,82,53,423
	Loan from Financial Institution	15.50%	03-Aug-15	31-Jul-18	1.25 times	-	4,19,97,295
	Loan from Financial Institution	15.50%	03-Dec-15	03-Dec-18	1.25 times	-	9,33,16,202
	Loan from Financial Institution	15.50%	20-Nov-15	30-Nov-17	1.1 times	-	6,56,25,000
	Loan from Financial Institution	14.75%	14-Mar-16	30-Aug-17	1 times	-	7,50,00,000
	Loan from Financial Institution	14.75%	28-Oct-15	29-Apr-17	1 times	-	4,69,44,445
	Loan from Financial Institution	14.75%	29-Oct-15	29-Apr-17	1 times	-	2,52,77,780
	Loan from Financial Institution	14.75%	29-Feb-16	30-Aug-17	1 times	-	7,08,33,333
	Loan from Financial Institution	15.50%	26-Feb-16	28-Feb-19	1.1 times	10,00,00,000	15,00,00,000
	Loan from Financial Institution	14.34%	02-Mar-16	01-Mar-18	1.25 times	-	10,00,00,000
	Loan from Financial Institution	14.40%	30-Oct-15	01-Nov-17	1.25 times	-	10,23,03,465
	Loan from Financial Institution	14.00%	14-Dec-15	10-Dec-17	1.25 times	-	4,44,55,682
	Loan from Financial Institution @@@	15.00%	26-Apr-16	08-May-18	1.2 times	7,43,04,153	-
	Loan from Financial Institution @@@	14.75%	27-Apr-16	30-Apr-18	1 times	5,41,66,663	-
	Loan from Financial Institution	13.75%	29-Apr-16	22-Apr-19	1.25 times	3,67,59,358	-
	Loan from Financial Institution	13.80%	16-Mar-17	16-Mar-20	1 times	20,00,00,000	-
	Loan from Financial Institution @@@	13.00%	31-Mar-17	31-Mar-19	1 times	10,00,00,000	-
						75,49,27,219	1,33,80,30,172

@@@ Charge over Current Assets, Book Debts, Receivables and such other assets of the Company.

@@@ Above loans from Financial Institution are being further secured with cash collateral by way of a fixed deposit of Rs.63,12,500 (Previous Year Rs.5,07,50,000)

6 Long Term Provisions:

Provision for Employee Benefits
 Provision of SARs A/c (net off) (Refer Note 31(i))
 Provision against Standard Assets (Refer Note 26 (i))



	As at	
	31st March 2017	31st March 2016
Provision for Employee Benefits	52,12,710	24,54,631
Provision of SARs A/c (net off) (Refer Note 31(i))	5,38,55,820	2,16,41,684
Provision against Standard Assets (Refer Note 26 (i))	4,74,877	3,60,273
	5,95,43,407	2,44,56,588

7 **Other Long Term Liabilities:**
Liability for capital expenditure

As at	
31st March 2017	31st March 2016
11,38,236	11,10,246
11,38,236	11,10,246

Current Liabilities

8 **Short Term Borrowings:**

Secured:

- Loan from Bank (a)
- Loan from Financial Institution (b)
- Cash Credit Facility (c)
- Commercial Papers (d)

5,00,00,000	-
25,77,12,674	20,66,03,780
8,55,01,595	88,77,634
9,02,93,400	-
48,35,07,669	21,54,81,414

	Particulars	Rate of Interest	Date of loan taken	Date of settlement	Security Details @	Outstanding Amount	
						31st March 2017	31st March 2016
a)	Loan from Bank	11.00%	21-Dec-16	21-Jun-17	1.33 times	5,00,00,000	-
b)	Loan from Financial Institution	15.75%	28-Nov-14	30-May-16	1.25 times	-	55,55,551
	Loan from Financial Institution	15.65%	23-Jan-15	31-Jan-17	1.25 times	-	2,08,33,333
	Loan from Financial Institution	15.65%	25-Feb-15	28-Feb-17	1.25 times	-	1,83,33,333
	Loan from Financial Institution	15.45%	26-Mar-15	31-Mar-17	1.25 times	-	2,00,00,000
	Loan from Financial Institution	15.50%	24-Jun-15	30-Dec-16	1 times	-	4,99,99,997
	Loan from Financial Institution	15.00%	31-Aug-15	28-Feb-17	1 times	-	4,27,77,777
	Loan from Financial Institution	15.00%	18-Sep-15	28-Feb-17	1 times	-	1,99,99,998
	Loan from Financial Institution	15.00%	24-Jun-15	01-Jan-17	1.25 times	-	2,91,03,791
	Loan from Financial Institution	13.62%	30-Sep-15	07-Oct-17	1.1 times	96,32,732	-
	Loan from Financial Institution	15.50%	23-Oct-15	08-Nov-17	1.2 times	1,84,04,049	-
	Loan from Financial Institution	15.00%	28-Oct-15	29-Apr-17	1 times	36,11,113	-
	Loan from Financial Institution	15.00%	29-Oct-15	29-Apr-17	1 times	19,44,452	-
	Loan from Financial Institution	14.75%	30-Oct-15	01-Nov-17	1.25 times	4,37,52,224	-
	Loan from Financial Institution	15.50%	20-Nov-15	30-Nov-17	1.1 times	2,81,25,000	-
	Loan from Financial Institution	15.65%	30-Nov-15	30-Nov-17	1.2 times	1,33,33,328	-
	Loan from Financial Institution	14.00%	14-Dec-15	10-Dec-17	1.25 times	2,03,85,031	-
	Loan from Financial Institution	15.00%	29-Feb-16	30-Aug-17	1 times	2,08,33,329	-
	Loan from Financial Institution	14.69%	02-Mar-16	01-Mar-18	1.25 times	5,36,36,389	-
	Loan from Financial Institution	15.00%	14-Mar-16	20-Sep-17	1 times	2,49,99,997	-
	Loan from Financial Institution	15.45%	29-May-15	31-May-17	1 times	1,07,21,690	-
	Loan from Financial Institution	15.65%	27-Jul-15	27-Jul-17	1.2 times	83,33,340	-
d)	Commercial Paper	10.75%	28-Dec-16	27-Dec-17	NA	9,02,93,400	-
						39,80,06,074	20,66,03,780

@ Above loans from Financial Institution are being further secured with cash collateral by way of a fixed deposit of Rs.2,62,43,056 (Previous year Rs.3,97,33,366)

- c) Represented by Cash credit facility amounting to Rs. 10,00,00,000 (Previous year Rs.5,00,00,000) which is served by way of a charge up to 1.33 times (Previous year 1.33 times) of merchant advance portfolio and secured against fixed deposit of Rs. 1,08,13,308 (Previous year Rs.1,00,00,000)

As at	
31st March 2017	31st March 2016

9 **Trade Payables:**

- Micro, Small and Medium Enterprises (Refer Note 30)
- Others

	-
2,56,89,822	92,39,533
2,56,89,822	92,39,533

10 **Other Current Liabilities:**

Current Maturities of Long-Term Debts (Refer Note-5)

Interest accrued but not due on borrowings

- Loan from Financial Institution
- Commercial Papers (Amortized Discount)
- Redeemable Non Convertible- Debentures

Statutory dues payable

- TDS Payable
- Employee Related
- Service Tax

Payable towards Securitization Transaction

Merchants Balances

Other payables

- Employee
- Others

57,48,05,562	69,06,47,468
38,18,601	63,99,568
24,99,782	-
5,53,97,400	78,20,954
1,33,93,474	74,51,162
8,84,850	6,81,057
2,54,534	2,05,438
7,76,03,896	4,51,41,650
1,43,77,957	68,60,773
27,70,364	21,08,763
-	3,10,967
74,58,06,420	76,76,27,800



		As at	
		31st March 2017	31st March 2016
11 Short-term Provisions:			
Provision for Employees Benefits			
Gratuity		4,59,857	7,13,003
Others		1,91,46,506	1,09,46,239
Provision against Standard Assets (Refer Note 26 (i))		1,12,88,288	56,46,517
Provision for Current Tax		65,98,462	-
Other Provisions:			
Provision for Referral Agent Commission		3,06,10,286	1,04,54,948
Provision for Incentive		85,23,882	48,43,709
Provision for CCPS		60,578	35,878
Provision for Sales & Jackpot Contest		94,53,334	41,44,165
Provision for Other Expenses		1,76,15,736	39,26,577
		<u>10,37,56,929</u>	<u>4,07,11,036</u>
13 Long Term Loans and Advances:			
(Unsecured, Considered Good unless otherwise stated)			
Security Deposits		1,97,98,450	1,39,16,435
Loan to Merchants			
Secured Considered Good		18,99,50,781	14,41,09,034
		<u>20,97,49,231</u>	<u>15,80,25,469</u>
14 Other Non-Current Asset:			
Deposit with Bank & Financial Institution *		1,37,00,008	8,55,56,579
Unamortized Finance Cost		43,09,732	-
Prepaid Expenses		2,85,133	3,97,101
		<u>1,82,94,873</u>	<u>8,59,53,680</u>
*Above fixed deposit includes Rs. 60,00,000 (Previous Year Rs 5,07,50,000) kept as cash collateral against loan(Refer Note-5 & 8)			
Current Assets			
15 Trade Receivables:			
Outstanding For a period less than Six Months			
Unsecured Considered Good		89,98,586	3,17,476
		<u>89,98,586</u>	<u>3,17,476</u>
16 Cash & Cash Equivalent:			
Cash & Cash Equivalent constitutes of			
Balances with banks:			
Current Accounts		1,12,96,70,573	8,57,26,824
Cash on Hand		5,26,724	2,43,288
Other Balances			
Fixed Deposits (a)		4,82,86,846	-
		<u>1,17,84,84,143</u>	<u>8,59,70,112</u>
Details of Bank Balances/ Deposits			
(a) Fixed Deposit held as security against loans due to mature within 12 months from the reporting date and included under 'Other Bank Balances'		4,82,86,846	-
Fixed Deposit held as security against loans due to mature after 12 months from the reporting date and included under 'Other Current and Non Current Assets'		1,37,00,008	8,55,56,579
		<u>6,19,86,854</u>	<u>8,55,56,579</u>
*From above fixed deposit Rs. 1,89,73,538 (Previous Year Rs 1,07,78,769) has been kept as cash collateral against Securitization (Refer Note 39) and balance Rs. 3,53,13,316 kept as cash collateral towards borrowings (Refer Note 5 & 8)			
17 Short - Term Loans and Advances:			
Loan to Merchants			
Secured, Considered Good		4,51,42,70,407	2,24,97,47,293
Secured, Considered Doubtful		15,36,40,819	5,01,63,672
Less : Provision For doubtful asset		(2,15,27,560)	(4,24,84,916)
Less : Provision For Loss asset		(1,27,99,152)	-
Secured, Considered Bad		9,57,09,766	-
Less : Advances written off (Refer Note 23)		(9,57,09,766)	-
		<u>4,63,35,84,514</u>	<u>2,25,74,26,049</u>
Advances recoverable in cash or in kind			
Unsecured, Considered Good			
From Employee		10,49,208	7,11,863
Others		1,16,21,554	14,66,053
Other Advances & Balances			
(Unsecured, Considered Good, unless otherwise stated)			
Balance with Government Authorities (Tax Deducted at Source)		1,56,64,427	31,89,140
Over-Collateralised Securitized Assets (Refer Note 38)		3,79,64,276	2,17,99,876
Excess Interest spread Receivables (Refer Note 38)		97,07,872	39,28,639
Convart receivables		24,18,049	37,38,443
Recoverable from Syndicate Asset		10,68,120	-
Less: Provision for Syndicate Asset		(10,68,120)	-
Others		8,05,067	6,45,041
		<u>4,71,28,14,967</u>	<u>2,29,29,05,104</u>



		As at	
		31st March 2017	31st March 2016
18	Other Current Assets:		
	Deposit with Financial Institution	80,55,556	2,83,05,556
	Interest Accrued & Receivable		
	Loan receivables	65,61,770	42,77,190
	Fixed Deposit	34,35,474	43,04,431
	Prepaid Expenses	37,96,806	21,52,179
	Unamortized Finance Cost	1,01,81,069	-
	Other Receivables	13,82,944	18,47,628
		3,34,13,619	4,08,86,984
*Above Deposit with Financial institution are kept as cash collateral against loan from financial institution (Refer Note-5 & 8)			
		Year ended	
		31st March 2017	31st March 2016
19	Revenue From Operations:		
	Interest income		
	On Loan from Merchant(a)	1,09,67,86,466	40,70,52,950
	Excess Interest Spread on Securitization	1,14,70,595	39,28,639
	Processing Fees	14,64,99,013	5,88,71,127
	Merchant Service Fees	3,60,63,337	1,33,08,184
	Service Fees on Syndication	3,00,92,045	3,75,826
	Petro Incentive	75,90,973	43,47,473
		1,32,85,02,429	48,78,84,199
(a) Interest Income from loan to merchants is net of Rs.3,95,02,160 (Previous year Rs.73,92,615) towards the Rebate given to merchants on account of renewal, recovery etc.			
20	Other Income		
	Interest Income		
	On fixed deposit	76,06,752	69,05,935
	On income tax refund	3,69,224	1,27,638
	Profit on sale of Investments	3,66,16,792	90,61,221
	Income from other Services	13,41,648	5,25,359
	Miscellaneous Income	15,28,184	6,79,906
	Liability no longer required	41,31,006	18,04,141
		5,15,93,606	1,91,04,200
21	Employee Benefits Expenses		
	Salaries & Wages	30,84,21,662	16,91,90,420
	Contribution to Provident or other funds	1,11,37,577	69,99,833
	Staff welfare expenses	94,59,027	72,54,797
	Employee Compensation Expenses Account (SARs)(Refer Note 31(i))	3,22,14,136	1,68,37,332
		36,12,32,402	28,02,82,382
22	Finance Cost		
	Interest Expenses	41,22,46,556	15,45,67,498
	Other Borrowings cost	2,76,05,864	3,33,19,810
		43,98,52,420	18,78,87,308
23	Other Expenses:		
	Marketing Expenses	2,37,53,999	81,65,568
	Professional & Legal Fees	2,59,75,769	2,08,01,259
	Rent	3,84,07,092	2,15,33,653
	Commission	16,05,13,091	5,45,46,550
	Travelling & Lodging Expenses	1,15,73,805	79,08,968
	Provision for Standard Assets(Refer Note 26b)	57,56,375	48,38,687
	Provision for Doubtful & Loss Assets(Refer Note 26a)		
	Provision Created during the year	3,43,26,710	3,93,86,369
	Less: Provision Reversal during the year	(75,54,169)	(2,20,199)
	Less: Advances provided in earlier year, now written off	(3,49,30,744)	-
	Less: Contingency Fund Utilised during the year	(22,50,026)	-
	Provision for Syndicate Asset		10,68,120
	Advances written off (Including Rs.349.31 lacs provided in earlier year)		9,57,09,766
	IT Services Expenses	1,80,48,474	53,85,966
	Fee & Stamp Charges	1,69,04,409	78,49,526
	Terminal deployment charges	2,30,13,465	1,16,21,716
	Service Tax Input Credit (Refer Note 27)	1,93,67,300	90,43,321
	Rates & Taxes	22,36,172	6,92,165
	Auditor's Remuneration (a)	10,70,540	9,42,026
	Insurance expenses	22,06,650	17,02,722
	Office and Maintenance Expenses	1,55,98,769	70,69,956
	Power and Fuel Charges	47,43,233	25,40,826
	Telephone & Internet Charges	62,05,334	38,74,595
	Verification and Rating charges	79,54,368	45,04,804
	Sundry Balances Write off	2,85,407	-
	Discount to Merchants	10,82,379	-
	Miscellaneous Expenses	1,61,53,914	90,38,867
		49,72,70,202	22,12,27,345
(a)	Auditors Remuneration		
	Statutory Audit Fee	8,00,000	7,00,000
	Other Certification Fee	2,00,000	2,22,500
	Out of Pocket Expenses	70,540	19,526



24 Exceptional Item:
Prepayment Penalty*

Year ended	
31st March 2017	31st March 2016
1,25,00,000	-
1,25,00,000	-

* Pertains to a pre-payment charges of Subordinated Debt of Rs. 25 crore(Refer 5(j)).

25 Earning per Share (EPS):

Profit/ (Loss) for the period	5,73,03,803	(11,45,47,835)
Less: Dividend Payable to preference share holders	(24,700)	(16,667)
Profit available to equity shareholders	5,72,79,103	(11,45,64,502)
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of Equity shares outstanding during the year	1,80,00,478	1,80,00,367
Dilutive Impact of CCPS	1,54,87,245	1,09,91,689
Weighted average number of Diluted shares outstanding during the year	3,34,87,723	2,89,92,056
Face value of per share	10	10
Basic EPS	3.18	(6.36)
Diluted EPS	1.71	(3.95)

26 Change in accounting policy:

(i) **NPA classification & provision thereon:**

(a) During the year, with effect from 1st October 2016, the Company has changed the policy related classification of Non - Performing Asset and provision thereon, as stated in Note 2.10 The Company has moved to Days Past Dues and Latency concept, from Did Not Paid and Long Stop Date being followed earlier. Had the Company followed previous policy for classification and provisioning on sub-standard, doubtful & loss assets, the amount of provision recognized would have been higher by Rs 196.64 lacs as compared to Rs. 853.02 lacs (including bad debts i.e. loan written off) recognized as per revised policy. Amount of Rs. 957.09 lacs has been accounted as Bad Debts since the policy of written off has been triggered.

(b) Provision has been made @ 0.25% as prescribed in the Reserve Bank of India notification No UBD.BPD.(PCB) MC No.3 /09.14.000/2014-15 dated July 1,2014.

(ii) **Borrowing Cost:**

During the year, the Company has changed the policy of recognition of expense, such as processing charges and loan management fees, incurred in relation with loans facilities including non - convertible debentures availed. The management has decided to amortize the expenses incurred over the tenor of the loan since the loan management fees or processing charges paid are in the nature of the services to be provided across the period of the loan. Had the Company followed previous policy for expensing out the expenses as and when incurred, the amount of finance charges (refer note 2.13) would have been higher by Rs 144.90 lacs as compared to Rs. 4398.52 lacs recognized as per the revised policy.

27 As per Rule 6(3B) of Cenvat Credit Rules, 2004 Banking Company and Financial Institutions including NBFC shall pay for every month an amount equal to 50% of the Cenvat Credit availed. Accordingly, the Company has availed 50% of Service Tax Input credit available and balance 50%, aggregating to Rs. 193.67 lacs (Previous Year Rs. 90.43 lacs) has been charged to the Statement of Profit & Loss.

28 Capitalization and Amortization of Advance Suite

The Company had developed the ERP branded as "Advance Suite" for running its lending business. The Company has the full legal ownership of the IP of this ERP suite and has the complete and unbridled rights to rent, sell, license or distribute the future economic benefits without disposal of the asset. In compliance with Accounting Standard 26 "Intangible Asset", the Company has capitalized the amount incurred for the development of the asset. The useful life of the asset has been determined 84 months on the basis of future benefits and other aspects.

29 Certain balances related to advances, receivable and payable are subject to confirmation. In the opinion of the management, these are fully recoverable except advances considered doubtful.

30 Disclosure under the Micro, Small & Medium Enterprise Development Act, 2009

There are no Micro, Small & Medium Enterprise (MSME) to whom the Company owes dues which are outstanding for more than 45 days as at 31st March 2017. This information as required to be disclosed under the Micro, Small & Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company and provided by the parties.

31(i) Stock Appreciation Rights (SAR PLAN 2015)

a) The board of directors of the Company had unanimously passed a resolution to grant Stock Appreciation Rights(SARs) to selected employees/consultants of the Company from the date of their appointment. These SARs will vest as per the terms and conditions of grant and will be settled in cash. The contractual life of SAR is 5 years. The fair value of SARs is measured at the grant date taking into account terms and conditions upon which the instruments are granted.

Details of activity under SARs is summarized below:

Particulars	31st March 2017	31st March 2016
SARs Outstanding at the beginning of the year	5,35,000	4,48,000
Rights Vested during the year	5,22,000	87,000
Exercised during the year	-	-
Expired/Lapsed/Transferred during the year	(1,43,100)	-
Outstanding at the end of the year	9,13,900	5,35,000
Total Liability of SAR granted during the year @ fair value of Rs. 158 per share (Previous Year Rs. 113.15)	11,27,18,180	5,30,10,330

Effect of the SARs plan on the statement of profit and loss and on its financial position:

Particulars	31st March 2017	31st March 2016
Total Liability of SAR granted	11,27,18,180	5,30,10,330
Total employee compensation cost pertaining to SARs for the year as per the terms of vesting	3,22,14,136	1,68,37,332
Opening balance of provision for SARs	2,16,41,684	48,04,352
Closing balance of provision for SARs (Net off)	5,38,55,820	2,16,41,684

31(ii) **Disclosure as required by Accounting Standard (AS) 15 (Revised) on "Employee Benefits" :**
In respect of Gratuity - a Defined Benefit Scheme (based on actuarial valuation):-

	Year ended	
	31st March 2017	31st March 2016
(a) Change in Defined Benefit Obligations		
Present value of Defined Benefit Obligations at the beginning of the year	31,67,634	14,76,029
Current Service Cost	26,24,805	15,68,379
Past Service Cost	-	-
Interest Cost	2,50,065	1,10,938
Curtailement Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Plan Amendments	-	-
Actuarial (Gain) or Loss	(3,69,937)	12,288
Benefits Paid	-	-
Present value of Defined Benefit Obligations at the end of the year	56,72,567	31,67,634
(b) Change in Plan Assets(Reconciliation of opening and closing balances)		
Fair value of Plan Assets at the beginning of the year	-	-
Expected return on Plan Assets	-	-
Actuarial Gain or (Loss)	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of Plan Assets at the end of the year	-	-
(c) Reconciliation of fair value of assets and obligations		
Fair value of Plan Assets at the end of the year	-	-
Present value of Defined Benefit Obligations at the end of the year	56,72,567	31,67,634
Amount recognized in Balance Sheet	56,72,567	31,67,634
(d) Expense recognized during the year		
Current Service Cost	26,24,805	15,68,379
Past Service Cost	-	-
Interest Cost	2,50,065	1,10,938
Curtailement Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Actuarial (Gain) or Loss	(3,69,937)	12,288
Expected return on Plan Assets	-	-
	25,04,933	16,91,605

Principal actuarial assumption

Particulars	Assumption in 31st March 2017	Assumption in 31st March 2016
Discount rate	7.5% per annum	7.9% per annum
Withdrawal rate, based on age :		
-Upto 44 Years	2% per annum	2% per annum
-Above 44 years	1% per annum	1% per annum
Salary increases	7% per annum	7% per annum

The Company is not having policy for leave encashment, hence no provision has been made during the year.

32 Operating Lease:

The aggregate lease rentals for operating leases for the period aggregate to Rs. 384,07,092/- (Previous year: Rs.215,33,653/-).

The total of future minimum lease payment commitments under operating lease agreement are as under:

	As at	
	31st March 2017	31st March 2016
Not later than one year	4,09,21,102	3,13,27,382
Later than one year and not later than five years	1,23,61,002	5,62,14,916
Later than five years	-	-

33 Deferred Tax Liability (Net):

Major components of Deferred Tax arising on account of temporary timing differences are given below:

	As at	
	31st March 2017	31st March 2016
Deferred Tax Liabilities		
Depreciation and Amortization Expenses	(5,44,105)	3,21,757
	(5,44,105)	3,21,757
Less: Deferred Tax Assets		
Gratuity disallowances	7,74,024	9,78,709
Accumulated Losses & Unabsorbed Depreciation	4,69,14,007	1,63,39,915
Provisions disallowed in Current Year, allowable in future	4,48,67,027	2,51,67,589
	9,25,55,058	4,24,86,303
Net Deferred Tax Asset	9,30,99,163	4,21,64,546
Amount recognized in the books	Nil	Nil

Deferred Tax Asset has been recognized to the extent of Deferred Tax Liability NIL (Previous Year Rs.3,21,757)

The Company has reviewed the position of deferred tax asset & liability as on 31st March 2017 and having regards to condition specified AS-22 "Accounting for Taxes On Income" and conservative approach, has not recognized DTA arising on account of accumulated losses, disallowances and reversal of DTL.



34 Related Party Disclosures:

A List of Related Parties:

Enterprise where Key Managerial Personnel has significant influence or control
InnoWorth Technologies Private Limited
Dilta Services LLP

Key Managerial Personnel

Mr. Piyush Kumar Khaitan Chief Executive Officer & Managing Director
Mr. B Ravi Kumar Chief Finance Officer (CFO) & Company Secretary (CS)
Mr. Sanjoy Shome Chief Operating Officer (COO)

Directors

Mr. Dhruv Kumar Khaitan Chairman
Mr BS Nagesh Director

B Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

Current Year

Name	Nature of Transaction	Amount of Transaction	Outstanding as on 31st March 2017
Dilta Services LLP	For infrastructure maintenance charges recovered	13,41,648	-
Mr. Piyush Kumar Khaitan	Managerial Remuneration (including perquisites)	44,40,000	-
Mr. BS Nagesh	Professional fees	18,00,000	1,57,500
Mr. B Ravi Kumar	Remuneration (including perquisites)	93,04,103	-
Mr. B Ravi Kumar	Advance against Salary	5,00,000	(5,00,000)
Mr. Sanjoy Shome	Remuneration (including perquisites)	92,44,297	-

Previous Year

Name	Nature of Transaction	Amount of Transaction	Outstanding as on 31st March 2016
InnoWorth Technologies Private Limited	Fixed Asset Purchased	55,24,540	90
Dilta Services LLP	For infrastructure maintenance charges recovered	6,01,537	1,28,016
Mr. Piyush Kumar Khaitan	Managerial Remuneration (including perquisites)	44,40,000	-
Mr. BS Nagesh	Professional fees	12,00,000	1,80,000
Mr. B Ravi Kumar	Remuneration (including perquisites)	88,14,080	-
Mr. Sanjoy Shome	Remuneration (including perquisites)	87,13,340	-

35 Additional information pursuant to Schedule III to the Companies Act, 2013:

Expenditure in foreign currency during the year:

	Year ended	
	31st March 2017	31st March 2016
Professional and consultation fees	12,28,051	-
Arranger Fees	-	48,75,000
Due Diligence Fees	44,10,327	17,18,300
Other Expenses	-	1,95,845

36 Contingent Liabilities:

The Company has no contingent liabilities or commitments as on the 31st March 2017, except as stated in Note 39

37 Disclosure Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

37.1 Ratings assigned by Credit Rating Agencies:

Particulars	As at 31st March 2017		As at 31st March 2016	
	Amount (in Crore)	Rating	Amount (in Crore)	Rating
Long Term Bank Facilities	150	[ICRA]BBB- (stable)	150	[ICRA]BBB- (stable)
Non Convertible Debenture Programme	255	[ICRA]BBB- (stable)	100	[ICRA]BBB- (stable)
Non Convertible Debenture Programme	100	IND BBB	-	-
Non Convertible Debenture Programme	50	BBB stable	-	-
PTC Series A1	31.88	[ICRA]A -	9.16	[ICRA]A-(SO)
PTC Series A2	2.28	[ICRA]BBB -	0.54	[ICRA]BBB- (SO)
Commercial Paper	10	A3+	-	-
Sub-ordinated Debt Programme	-	Not Applicable	25	[ICRA]BBB- (stable)

37.2 Additional information:

PARTICULARS	31st March 2017	31st March 2016
Debt / Equity Ratio	2.61	4.78
Net Worth	1,55,10,65,590	43,85,34,373
Net Profit After Tax	5,73,03,803	(11,45,47,837)
Basic Earning Per Share (EPS)	3.18	(6.36)

37.3 Pursuant to the Companies (Share Capital and Debentures Rule 2014) issued by Ministry of Corporate Affairs and Banking Finance Commission, 2011, the Company has not created Debenture Redemption Reserve. Accordingly, the Company has not created Debenture Redemption Reserve.

38 **Disclosure Related To Securitization:**

During the year Company has sold loans through Securitization. The information on Securitization activity of the Company as an originator is as shown below:

Particulars	Year ended	
	31st March 2017	31st March 2016
Total No of Loan Securitized/assigned	141	180
Total Book Value of Loan Securitized/assigned	37,94,70,756	11,89,36,181
Total Book Value of Loan Securitized/assigned Placed as Collateral	3,79,64,276	2,17,99,876
FD Placed as cash collateral	1,89,73,538	1,07,78,769
Sales Consideration received for loans Securitized/assigned	34,15,23,680	9,70,08,917
Excess Interest Spread recognized in the statement of Profit & Loss	97,07,872	39,28,639
Excess Interest Spread recognized in the statement of Profit & Loss and received during the year, with respect to other transaction done in previous year	17,62,723	-

39 The Company has entered into an arrangement of co-lending to its customer along with Syndication Partner. Share of co-lenders in all syndicated loan is fixed at 80% to be funded by Syndicated Partner and 20% to be funded by the Company. Total loan disbursed during the year under syndication arrangement amounts to Rs. 13,396 lacs, of which share of the Company is Rs. 2,679.20 lacs and balance of Rs. 10,716.80 lacs is share of Syndicate Partner. Asset under management (AUM) of Syndicated Partner as on the balance sheet date amounts to Rs. 8,056.52 lacs. The Company has given a corporate guarantee to the Syndicated Partner to the extent of minimum of a) five percent of average outstanding of Syndicated AUM of previous month, or b) five percent of Syndicated AUM on last date of previous month.

40 **Disclosure Related to Specified Bank Notes(SBN):**

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	27,52,500	4,74,957	32,27,457
Add: Permitted Receipts		19,46,262	19,46,262
Less: Permitted Payments		(15,51,923)	(15,51,923)
Amount Deposited in Banks	(27,52,500)		(27,52,500)
Closing cash in hand as on 30.12.2016	-	8,69,296	8,69,296

41 The Company operates in a single reportable segment i.e. financing, which has similar risk and returns for the purpose of AS-17 on "Segment Reporting" specified u/s 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules 2014. The Company operates in single geographical segment i.e. Domestic.

42 In the Opinion of the management and to the best of its knowledge and belief, the value on realization of current assets, loans, advances and payment of current liabilities and provisions in the ordinary course of business would not be less/ more, than the amount at which they are stated in the Balance sheet.

43 Previous year figures have been reclassified / regrouped to confirm to this year's classification, wherever necessary.

As per our report of even date attached.

For Singhi & Co.
Chartered Accountants
Registration No.302049E



Sukendra L. ...
Partner
Membership No.071272
Place: Mumbai
Date: 11 1 MAY 20 17

For and on behalf of the Board of Directors

Smita Aggarwal

Smita Aggarwal
Director
(DIN 01478327)

Piyush Khaitan

Piyush Khaitan
CEO & Managing Director
(DIN 00002579)

B. Ravi Kumar

B. Ravi Kumar
CFO & CS
(DIN 00046966)

11 1 MAY 2017



Note-12

Tangible Assets

Particulars	Original Cost			Gross Block as at 31.03.2017	Depreciation			Net Block		
	Gross Block as at 01.04.2016	Additions during the year	Deductions during the year		Accumulated depreciation as at 01.04.2016	Depreciation during the year	Adjustments	Accumulated depreciation as at 31.03.2017	As at 31.03.2017	As at 31.03.2017
Computers	1,98,48,904	1,14,27,175	-	3,12,76,079	1,11,22,991	81,55,415	-	1,92,78,406	1,19,97,673	87,25,9
Office Equipment's	40,43,832	1,98,705	-	42,42,537	27,33,142	6,80,120	-	34,13,262	8,29,275	13,10,6
Mobile Point of Sale Device	11,27,295	-	-	11,27,295	11,27,295	-	-	11,27,295	-	-
Furniture & Fixture	18,82,239	2,22,001	-	21,04,240	7,15,194	3,38,014	-	10,53,208	10,51,032	11,67,0
License Property Improvement Work	1,38,86,193	-	-	1,38,86,193	47,92,904	34,64,029	-	82,56,933	56,29,260	90,93,2
TOTAL	4,07,88,463	1,18,47,881	-	5,26,36,344	2,04,91,526	1,26,37,578	-	3,31,29,104	1,95,07,240	2,02,96,9
Previous Year Figures	2,47,91,399	1,59,97,064	-	4,07,88,463	1,11,03,497	93,88,029	-	2,04,91,526	2,02,96,937	1,36,87,90

Intangible Assets

Particulars	Original Cost			Gross Block as at 31.03.2017	Impairment			Net Block		
	Gross Block as at 01.04.2016	Additions	Disposal / Adjustments		Accumulated depreciation as at 01.04.2016	Recognized / Reversals/ Depreciation	Deductions / Adjustments	Accumulated depreciation as at 31.03.2017	As at 31.03.2017	As at 31.03.2017
Computer Software	1,92,58,172	-	-	1,92,58,172	66,81,439	27,51,168	-	94,32,607	98,25,565	1,25,76,73
TOTAL	1,92,58,172	-	-	1,92,58,172	66,81,439	27,51,168	-	94,32,607	98,25,565	1,25,76,73
Previous Year Figures	1,92,58,172	-	-	1,92,58,172	39,30,272	27,51,167	-	66,81,439	1,25,76,733	1,53,27,90

Grand Total	6,00,46,635	1,18,47,881	-	7,18,94,516	2,71,72,965	1,53,88,746	-	4,25,61,711	2,93,32,805	3,28,73,67
Grand Total (PY)	4,40,49,571	1,59,97,064	-	6,00,46,635	1,50,33,769	1,21,39,196	-	2,71,72,965	3,28,73,670	2,90,15,80



2. Unquoted :		
(i)	Shares : (a) Equity (b) Preference	..
(ii)	Debentures and Bonds	..
(iii)	Units of mutual funds	..
(iv)	Government Securities	..
(v)	Others (please specify)	..

- (5) Borrower group-wise classification of assets financed as in (2) and (3) above:
Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries
(b) Companies in the same group
(c) Other related parties
2. Other than related parties	4,85,78,62,006	..	4,85,78,62,006
Total	4,85,78,62,006	..	4,85,78,62,006

- (6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):
Please see note 3 below

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries
(b) Companies in the same group
(c) Other related parties
2. Other than related parties
Total

** As per Accounting Standard of ICAI (Please see Note 3)

- (7) Other Information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	..
(b) Other than related parties	15,36,40,819
(ii) Net Non-Performing Assets	
(a) Related parties	..
(b) Other than related parties	11,93,14,107
(iii) Assets acquired in satisfaction of debt	

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For Singhi & Co.
Chartered Accountants
Registration No.302049E

Sukendra Lodha
Partner
Membership No. 071272



For and on behalf of the Board of Directors

Smita Aggarwal

Smita Aggarwal
Director
(DIN 01478327)

Piyush Khaitan

Piyush Khaitan
CEO & Managing Director
(DIN 00002579)

B. Ravi Kumar

B. Ravi Kumar
CFO & CS
(DIN 00046966)

Place: Mumbai

Date: 11 MAY 2017

11 MAY 2017

